CHAPTER 1 PURPOSE AND NEED

PURPOSE AND NEED

The Farmington Draft Resource Management Plan (RMP) Revision and Environmental Impact Statement (EIS) has been prepared to provide a comprehensive framework for managing the public lands and for allocating resources during the next 20 years using the principles of multiple use and sustained yield. The life of the approved RMP can be extended through maintenance and amendments, as necessary to keep the document up to date and current. The Draft RMP Revision and EIS establishes and analyzes areas for limited, restricted, or exclusive uses, levels of production, allowable resource uses, condition resource objectives. program constraints, and general management direction.

This document includes both a Draft RMP Revision (with four different management alternatives) and a Draft EIS, which fulfill the Federal Land Policy and Management Act (FLPMA) and the National Environmental Policy Act (NEPA) requirements for comprehensive land use planning for public lands. In this document, from this point forward, the Draft RMP Revision and Draft EIS will simply be referred to as the Draft RMP/EIS.

Five issues are addressed in the Draft RMP/EIS, including:

- 1. Oil and Gas Leasing and Development
- 2. Land Ownership Adjustments
- 3. Off-Highway Vehicle Use
- 4. Specially Designated Areas
- 5. Coal Leasing Suitability Assessment

Section 3 (3A) of the Federal Coal Leasing Amendments Act of 1976 also requires comprehensive land-use planning prior to coal leasing. In addition, the statutory requirement that public lands be designated as "open", "limited", or "closed" to off-road vehicle or off-highway vehicle (ORV/OHV) use will be met upon final approval of one of the decisions

proposed in this document. This document updates management constraints on and analyzes the environmental impacts of oil and gas leasing and development in the San Juan Basin in New Mexico. Preparation of this document is guided by Bureau of Land Management (BLM) planning regulations issued under FLPMA, environmental regulations issued under NEPA and by BLM Handbook H-1600-1 (Land Use Planning) and H-1624-1 (Planning for Fluid Mineral Resources). Plan amendments, if necessary, will keep the resource **RMP** current with Approved management needs and policies.

In 1988, the BLM Farmington Field Office (FFO) approved an RMP following many of the same steps that are being done now. The RMP was amended six times between 1990 and 2000. Decisions from the RMP document (RMP and amendments) that are still valid will be carried forward into this Draft RMP/EIS and continue to be implemented to the extent they are not in conflict with the direction proposed in this Draft RMP Revision.

The primary purpose of the EIS portion of the Draft RMP/EIS is to analyze the impacts of implementing existing and future land use decisions. The EIS portion is also needed to "...analyze and document the direct, indirect, cumulative impacts of...reasonably foreseeable future actions resulting from federally authorized fluid mineral activities. By law, these impacts must be analyzed before the agency makes an irreversible commitment. In the fluid minerals program, this commitment occurs at the point of lease issuance. Therefore, the Draft RMP/EIS satisfies NEPA requirements for issuing fluid mineral leases" (BLM Handbook H-1624-1 B.-1).

LOCATION

The planning area, located in northwestern New Mexico, encompasses approximately 8,000,000 acres of mixed land ownership and includes all of San Juan County, most of McKinley County, western Rio Arriba County, and northwestern Sandoval County. Included within this area are approximately 2,000,000 public surface acres of estate approximately 3,000,000 acres of subsurface minerals. The management objectives and philosophies developed in this plan would be applied only to the public surface and/or mineral estate. Map 1-1 illustrates the planning area and shows its location within New Mexico. The population of the area is centered around the Farmington-Aztec-Bloomfield-Shiprock area to the north, the Gallup-Crownpoint area to the south, and Cuba to the east.

The distribution of the public lands has an important influence on land management options. The public lands are fairly well consolidated in northeastern San Juan County, while scattered, or checkerboard, ownership patterns predominate over much of the remaining planning area. The planning area includes some public land (and federal minerals) in Sandoval County that is part of the BLM Albuquerque Field Office (AFO).

SCOPE OF THE DOCUMENT

The land use planning addressed in this document pertains to public (federal) lands and federal minerals within the FFO boundaries. Additional land use planning is performed for oil and gas on U.S. Bureau of Reclamation (USBR) land. Impact analysis for future leasing and development of federal oil and gas will be addressed for the New Mexico portion of the San Juan Basin.

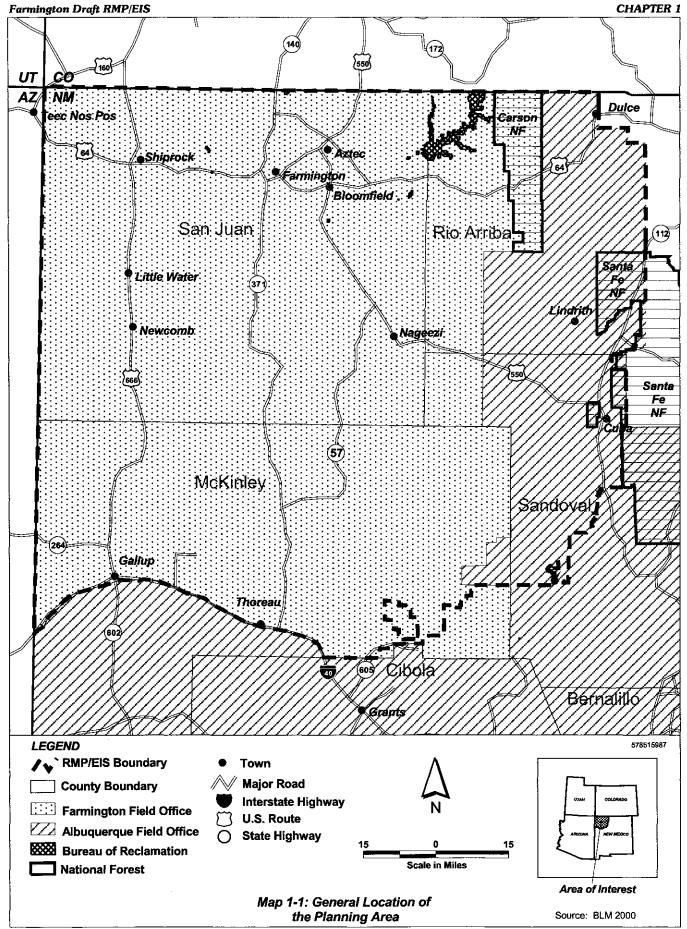
An Inter-Area Agreement No. NM-01-071 resulted in a change in the administration of some programs (livestock grazing and oil and gas) in the FFO and AFO. As of July 1992, the AFO assumed the responsibilities for administering (permitting) the federal minerals in the Lindrith, New Mexico area. They also assumed the permitting for oil and gas leases in the (extreme) southern portion of FFO boundaries. For this reason, the minerals (oil and gas) under the administration of the AFO are included in the Farmington Draft RMP/EIS.

There are a number of surface owners that are involved in the approval (permitting) for developing federal minerals [i.e., BLM, U.S. Forest Service (USFS), USBR, Bureau of Indian Affairs (BIA), state, private, etc.]. In accordance with Title 43 Code of Federal Regulations (CFR) Subpart 1501.6, the USBR are participating Cooperating Agencies in the preparation of this The USFS and USBR staff document. participating in this project are located in the (1) Santa Fe and Carson (Jicarilla Ranger District) National Forests (Santa Fe and Bloomfield. New Mexico) and (2) Upper Colorado Region, Western Colorado Area - Southern Division (Durango. Colorado). Office Map illustrates the administrative boundaries for the lands and minerals administered by the BLM (FFO and AFO), USFS and USBR in the planning area. The amount of land and federal minerals administered by each office is presented in Tables 1-1 and 1-2.

The Draft RMP/EIS addresses the impacts of federal oil and gas leasing and development regardless of the surface ownership (i.e., state, tribal and private). When federal oil and gas are leased and developed on lands administered by other federal agencies, the BLM contacts the agency for consent to lease, specific surface protection lease stipulations, and mitigation requirements for field operations.

The BLM issues oil and gas leases where federal minerals underlie the Indian-owned surface. The Indian surface owner (BIA, tribe, or allottee) is contacted for concurrence and to identify specific surface protection stipulations, if any, before the lease is issued.

Management constraints prescribed for federal oil and gas leasing and development on split estate apply only to mineral development activities permitted by the BLM. On such mineral development, the BLM provides surface and subsurface constraints that ensure the environment is protected. These constraints do not restrict the activities of private landowners. The amount of land and federal minerals administered by other surface owners is presented in Table 1-1.



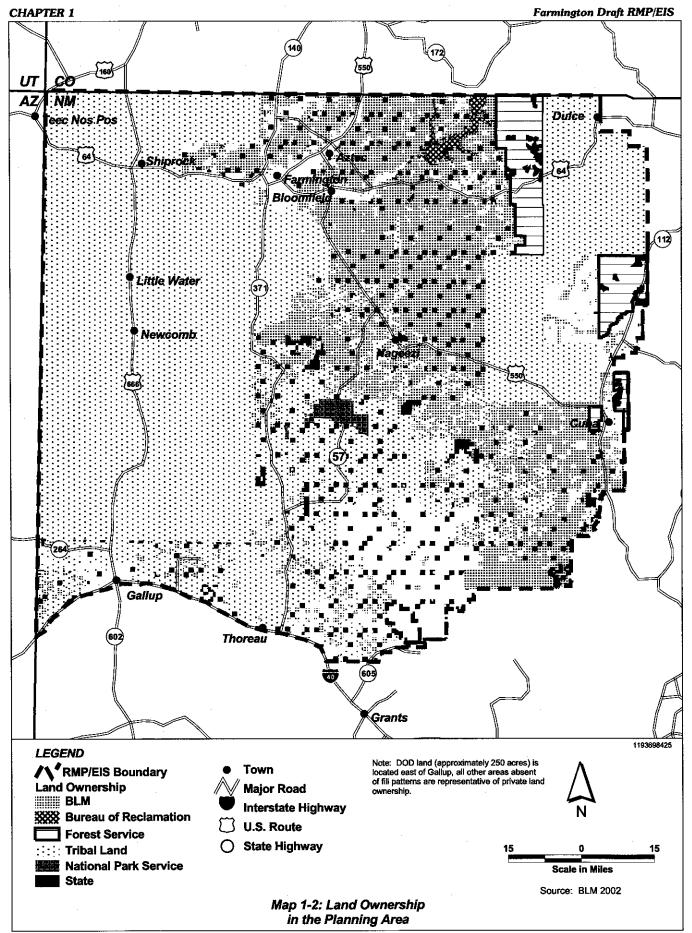


Table 1-1. Surface Acres in the Planning Area

| Cooperating Land Agencies | San Juan County | McKinley County | Rio Arriba County | Sandoval County | Total: Surface Acres by Owner |
|-----------------------------------|--------------------|--------------------|----------------------|--------------------|----------------------------------|
| FFO BLM | 856,593 | 163,580 | 322,431 | 72,682 | 1,415,286 |
| AFO BLM | 0 | 40,035 | 22,895 | 314,225 | 377,155 |
| USFS | 0 | 13 | 23,4301 | 22,558 | 256,872 |
| USBR | 15,982 | 0 | 15,053 | 0 | 31,035 |
| Subtotal: Surface Acres by County | 872,575 | 203,628 | 594,680 | 409,465 | 2,080,348 |
| Other Land Agencies | | | | | |
| DOD | 0 | 259 | 0 | 0 | 259 |
| Tribal Lands | 2,323,806 | 1,616,225 | 612,141 | 222,250 | 4,774,422 |
| National Park Service | 31,301 | 2,904 | 0 | 0 | 34,205 |
| State | 122,326 | 135,994 | 43,476 | 32,879 | 334,675 |
| Private | 234,460 | 512,522 | 199,499 | 103,719 | 1,050,200 |
| Subtotal: Surface Acres by County | 2,711,893 | 2,267,904 | 855,116 | 358,848 | 6,193,761 |
| Total: Surface Acres | 3,584,468 | 2,471,532 | 1,449,796 | 768,313 | 8,274,109 |

Source: GIS data derived from BLM FFO and SO coverages.

Table 1-2. Acres Overlying Federal Minerals in the Planning Area

| Cooperating Land Agencies | San Juan County | McKinley County | Rio Arriba County | Sandoval County | Total: Surface Acres Overlying Federal Minerals by Owner |
|---|--------------------|--------------------|----------------------|--------------------|---|
| FFO BLM | 843,574 | 149,724 | 315,843 | 69,561 | 1,378,702 |
| AFO BLM | 0 | 40,035 | 22,759 | 312,654 | 375,448 |
| USFS | 0 | 13 | 234,301 | 22,558 | 356,872 |
| USBR | 7,984 | 0 | 7,891 | 0 | 15,875 |
| Subtotal: Surface Acres Overlying Federal Minerals by County | 851,558 | 189772 | 580,794 | 404,773 | 2,026,897 |
| Other Land Agencies | | | | | |
| DOD | 0 | 259 | 0 | 0 | 259 |
| Tribal Lands | 153,309 | 211,499 | 1,166 | 25,514 | 391,488 |
| National Park Service | 17,139 | 2,351 | 0 | 0 | 19,490 |
| State | 19,325 | 15,206 | 1,798 | 6,379 | 42,708 |
| Private | 142,338 | 119,074 | 195,819 | 82,620 | 539,851 |
| Subtotal: Surface Acres Overlying Federal Minerals by County | 332,111 | 348,389 | 198,783 | 114,513 | 993,796 |
| Total: Surface Acres Overlying Federal Minerals | 1,183,669 | 538,161 | 779,577 | 519,286 | 3,020,693 |

Source: GIS data derived from BLM FFO and SO coverages.

Oil and gas leases for Indian mineral estate are issued by the BIA. The decision to lease or enter into a joint venture or agreement to develop Indian oil and gas is solely that of the BIA, the tribe, or the individual allottee and is not considered in this document.

THE PLANNING PROCESS

The BLM resource management planning process consists (primarily) of nine basic steps. This process requires an interdisciplinary team of resource specialists. Staff from the FFO and and USBR USFS. comprise the AFO. interdisciplinary team preparing this Draft RMP/EIS. The steps described in BLM's planning regulations and handbook (H-1600-1) and followed in preparing this Draft RMP/EIS summarized below and graphically displayed in Figure 1-1. Publication of this document represents completion of Steps 1 through 7.

Step 1. Identification of Issues

The first step in the planning process is intended to identify resource management problems or conflicts that can be resolved through the planning process. These problems or conflicts (issues) were identified by the BLM and other agency personnel as well as members of the public. Five issues were identified for this planning effort and are considered and discussed in detail in this document. Valid Existing Decisions, from BLM's previous land use planning documents, are also considered in this document. Valid Existing Decisions, with the various ways of dealing with the issues, will comprise the four different management alternatives.

Step 2. Development of Planning Criteria

During this step, preliminary decisions are made regarding the kinds of information needed to clarify the issues, the kinds of alternatives to be developed, and the factors to be considered in evaluating alternatives and selecting a preferred RMP. As each issue was identified, a list of planning criteria was developed to help guide the resolution of that issue. Valid Existing Decisions were also

identified during this part of the planning process and are included in the alternatives presented in Chapter 2.

Step 3. Inventory Data and Information Collection

This step involves the collection of various kinds of environmental, social, economic, resource, and institutional data needed for completion of the process. This step can include detailed field studies, talking to individuals or groups who may have information, literature studies, or consultation with appropriate professionals. In most cases, this process is limited to inventories needed to address the issues.

Step 4. Management Situation Analysis

This step calls for deliberate assessment of the current situation. It includes a description of BLM management guidance, current of existing problems discussion and opportunities for solving them. consolidation of existing data needed to analyze and resolve the identified issues. The end result of this step was the development of an unpublished companion document known as the Management Situation Analysis (MSA). Chapter 3 of that document was used to develop the Continuing Management Guidance section of the Draft RMP/EIS. MSA Chapter 2 was used as a basis for compiling the Affected Environment chapter of the Draft RMP/EIS. Copies of the MSA are available for review in the FFO.

Step 5. Formulation of Alternatives

During this step, several complete, reasonable resource management alternatives are prepared, including one for no action and others that strive to resolve the issues while emphasizing differing amounts of resource production or protection. This important section of the Draft RMP/EIS has been incorporated into Chapter 2.

revisited throughout the planning process and may overlap other steps.

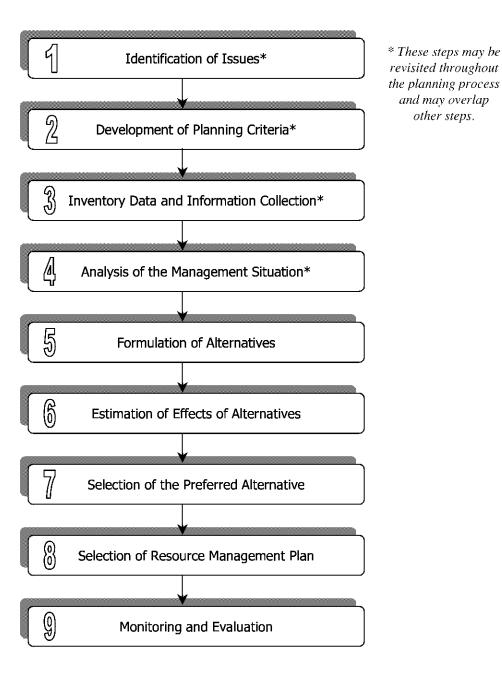


Figure 1-1. Steps in the RMP/EIS Planning Process

Step 6. Estimation of Effects of Alternatives

The physical, biological, economic, and social effects of implementing each alternative are estimated in order to allow for a comparative evaluation of impacts. This step, known as the Environmental Consequences sections, is found in Chapter 4 in this Draft RMP/EIS.

Step 7. Selection of the Preferred Alternative

Based on the information generated during Step 6, the Field Manager identifies a preferred alternative. The Draft RMP/EIS document is then printed and distributed for public review. The public will have a 90-day public review and comment period for the Draft EIS.

Step 8. Selection of the RMP

Based on the results of public review and comment, the Field Manager will select a proposed RMP and publish it along with a Final EIS. It is important to note the revised RMP will replace all the previous (RMP and Resource Management Plan Amendment [RMPA]) planning documents prepared for the FFO. A final decision is made after a 60-day Governor's Consistency Review and a 30-day public protest period on the Proposed RMP/Final EIS are completed.

Step 9. Monitoring and Evaluation

This step involves the collection and analysis of long-term resource condition and trend data to determine the effectiveness of the plan in resolving the identified issues and implementation of all Decisions, and to ensure that implementation of the plan is achieving the desired results. Monitoring continues from the time the new RMP is adopted until changing conditions require amendments or a revision of the whole plan or any portion of it.

PLANNING ISSUES

The BLM planning regulations (43 CFR 1600) equate land use planning with problem solving and issue resolution. An issue is defined as an opportunity, conflict, or problem

regarding the use or management of public lands and resources. Not all problems are capable of resolution through land use planning—some may require changes in policy, budget, or law. Issue-driven planning, which is the approach used in RMPs, means that an emphasis is placed on addressing those aspects of current management believed to be at issue. The FFO's previous land use plans will be replaced by this document. Existing decisions are reviewed for their relevance and use in the continued management of resource uses.

Several problems brought up during the issue identification process are not included as separate issues in the Draft RMP/EIS. Some of these are resolvable within Continuing Management Guidance; others, such as the protection of significant cultural resources, would be resolved with the identification of specially designated areas. Those aspects of current management that are **not** issues are covered in Chapter 2, under Continuing Management Guidance.

The five issues addressed in this Draft RMP/EIS were identified based on interagency consultation. state government cooperating agency input, review by BLM staff and managers, and through extensive discussions meetings with and public individuals. industry representatives, and special interest groups.

PLANNING CRITERIA

Planning criteria are the standards, rules, and measures used for data collection and alternative formulations, and have guided draft plan preparation. Planning criteria are taken appropriate laws and regulations. from guidance found in BLM Manuals and directives, and concerns expressed in meetings and consultations, both with the public and with other agencies. Four criteria were developed for the Draft RMP/EIS and will guide the resolution of the issues addressed in this document. The criteria are listed below.

1. Actions must comply with laws, regulations, and executive orders.

- Actions must be reasonable and achievable.
- Actions will be considered for their long-term benefits to the public in relation to short-term benefits.
- 4. Actions will be considered in an interdisciplinary approach.

The following (five) planning issues were identified for resolution in this Draft RMP/EIS. The criteria that were (1) developed and used and (2) are still applicable to the issues described in previous planning documents, are included as part of the text in each issue.

The following issues relate to planning within the FFO boundaries.

Issue #1: Oil and Gas Leasing and Development

The following issues and their associated planning criteria have been identified for resolution in the Draft RMP/EIS.

- Item 1. Determine if there is additional federal mineral estate that should be considered for oil and gas leasing.
- Item 2. Based on a Reasonable Foreseeable Development Scenario (RFDS), determine the effect of developing oil and gas leases in designated and/or proposed specially designated areas and other areas of concern.
- Item 3. Determine the impact of management constraints [lease stipulations and Conditions of Approval (COAs)] on oil and gas development.
- Item 4. Identify the cumulative impacts of oil and gas development.
- Item 5. Determine if existing management constraints on oil and gas leasing and development in specially designated areas would achieve the greatest degree of protection of resource values.
- Item 6. Identify management constraints necessary to protect wildlife, fragile soils, water resources, and other resource values.
- Item 7. Clarify the stipulations applied at the lease issuance stage and COAs applied before development activities begin.

The planning criteria for Items 1 through 3 are concerned with identifying (1) oil and gas resource occurrence potential, (2) the amount of leased acreage, producing and non-producing, (3) areas where development is occurring or is projected to occur, and (4) areas where leasing and/or development is occurring or could occur with management constraints.

Criteria for Item 4 are based on identifying (1) the area where existing (and new) leases are issued under standard terms and conditions (STCs), (2) the amount of oil and gas acreage that would not be available for future leasing and development, and (3) the least restrictive management constraints on new lease development that would protect resource values and uses. The effects of future development of existing and new leases have been considered during impact identification and analyses in this Draft RMP/EIS.

The criteria used to determine the impacts on oil and gas resources are similar to those developed for determining the amount of oil and gas acreage available for leasing and development. These criteria are based primarily on identifying (1) the amount of oil and gas acreage that would not be available for leasing and development, (2) whether the type and extent of management constraints would protect resource values and uses, and (3) the effects of management constraints on future oil and gas development and production.

The primary criteria for Items 5 and 6 are based on determining (1) if continued management will adequately protect and preserve specially designated areas and other resource values, and (2) the implementability of management prescriptions and objectives in areas with current and future development. An additional criterion to consider is the necessity of applying stipulations to new leases in areas where existing leases may expire or terminate, particularly in specially designated areas with critical resource values.

BLM resource specialists have identified specific lease stipulations, COAs, and the area(s) where they are required for future leasing and development. Because stipulations

are applied at the leasing stage, they are general and apply to the entire lease. COAs, which are applied at the Application for Permits to Drill (APD) stage of lease development, apply to a particular well location. The COAs attached to each APD permit will be determined primarily by the proposed location of each well. The COAs usually considered and attached to APDs are listed in Appendix G.

Issue #2: Land Ownership Adjustments

Small, scattered, and isolated tracts are often expensive or difficult to manage, and normally contribute little to the public land resource. Some of these parcels, which are close to urban areas, are also in demand for community expansion. Exchange or disposal of these tracts often improves management efficiency by focusing efforts on larger tracts where the BLM has more opportunities to meet its goals and objectives.

The basic concept of land ownership adjustments is to consolidate administrative boundaries to create a more efficient and economical land ownership pattern. Areas for retention and disposal are identified under each of the four alternatives in Chapter 2. Parcels identified for disposal after approval of the new RMP could be considered for disposal on a case-by-case basis. Where the parcels are to be sold, the following criteria established in Section 203 of FLPMA must be met:

- (1) such tract because of its location or other characteristics is difficult and uneconomical to manage as part of the public lands, and is not suitable for management by another federal department or agency; or
- (2) such tract was acquired for a specific purpose and the tract is no longer required for that or any other federal purpose; or
- (3) disposal of such tract will serve important public objectives, including but not limited to, expansion of communities and economic development, which cannot be achieved prudently or feasibly on land other than public land and which outweigh other public objectives and values, including, but not limited to, recreation and scenic values, which

would be served by maintaining such tract in federal ownership.

If a parcel is to be disposed of through exchange, Section 206 of FLPMA requires that the action would serve the public interest. For example, the action would result in better federal land management, satisfy important state or local needs, or would help accomplish management objectives defined in this plan (e.g., inholding acquisition, trespass abatement, access needs, resource improvement, etc.). Unlimited exchange opportunities may be entertained to consolidate federal and nonfederal lands within the retention areas.

To reduce the impacts of split estate where practical, the BLM may pursue mineral exchanges as authorized by FLPMA Sec. 206. Nothing in this Draft RMP/EIS is intended to prohibit mineral exchanges conducted under the BLM mineral exchange policy.

Lands may be transferred out of federal ownership by any of a wide variety of exchange or disposal authorities as long as all applicable sale or exchange criteria are met and there are major conflicts with other resource management programs, such as oil and gas. Lands in the FFO disposal area can be utilized by other BLM field offices within the State of New Mexico to provide a pool of lands for exchange purposes. There will be no title transfers of public lands within any specially designated area unless the disposal would enhance management of the area. In general, attempts should be made to acquire nonfederal inholdings in specially designated areas if it is important to the management of the area.

Management of the public lands in the southern portion of the area administered by the FFO has always been difficult due to the checkerboard land ownership pattern. Land exchanges have been completed in the past to resolve unauthorized occupancies and to acquire other lands with greater public benefits. The split estate that has resulted from these exchanges has made it more difficult to develop the retained federal minerals. This should be considered during any future land disposals.

The criteria developed during the planning process provides for the following:

Retention Areas

Ownership will remain with the BLM over the long term. Exchanges for consolidating ownership will be considered and may include conveying retention lands to accomplish a desirable exchange. Recreation and Public Purposes (R&PP) applications will be considered. Sale proposals may only be considered in (very) limited instances for parcels identified in Appendix H or on a case-by-case basis.

Disposal Areas

These lands will pass out of federal ownership over the long term. Priority for disposal would be given to exchanges; however, other forms of land transfers, such as those listed in the Chapter 2 Continuing Management Guidance section, would also be considered. Further exchanges with Indian tribes would be considered after problems are resolved in the development of the federal minerals by operators and/or lessees who hold the existing or future mineral (oil and gas) leases.

Acquisitions

Inholdings (non-BLM) will be designated for acquisition if important to proper management of the area. Ownership of public land will be maintained by the BLM over the long term.

To resolve these issues, answers are needed to the following question:

On which lands should ownership be adjusted (exchanged, disposed, and/or acquired) to facilitate more efficient management?

Issue #3: Off-Highway Vehicle Use

This issue addresses OHV designations. It is BLM policy to designate all public lands in its jurisdiction as "open", "limited," or "closed" to motor vehicle use.

Motorized vehicles will be discussed in terms of design and capabilities of OHVs. ORVs are vehicles designed for and capable of travel over natural terrain and water. OHVs are mainly designed for travel on unpaved roads or trails and not particularly for off-road use. The term OHV will be used in the rest of the document when referring to either OHV or ORV.

Public lands currently or historically used for organized OHV events will be designated "open" or "limited" for intensive OHV use if there are no significant resource protection needs, user conflicts, or public safety concerns.

To resolve this issue, answers are needed to the following questions:

What public lands should be designated as "open," "limited," or "closed" to OHV use?

What special use areas should be designated for OHV use to meet specific user group and general public demand?

What OHV designations (and areas) would result in minimum conflicts between people and resources?

Issue #4: Specially Designated Areas

The FFO boundaries contain certain areas where special management could protect important natural, cultural, recreational. paleontological, scenic, mineral, botanical, wildlife, watershed, and wilderness values (see Appendix B for a list of these areas). Special management could be achieved through identification of a variety of designations. Past planning decisions concerning special management designations will be carried forward unless additional information requires further analysis.

To resolve this issue, answers are needed to the following questions:

What areas and resource values should be identified for special management attention?

How should such areas and resource values be managed?

Issue #5: Coal Leasing Suitability Assessment

Portions of the field office boundaries are potentially valuable for the development of coal. The demand to develop this resource fluctuates almost annually due to changing demands for electric power, trends in alternate fuel costs, and availability. Recent interest has been expressed by coal companies for leasing additional coal (tracts) to meet current and future demands for power generation in the Four Corners. Currently, over 33,000 acres of BLM-administered subsurface are under Preference Right Lease Applications (PRLAs). In addition, 60,698 acres were designated as competitive coal lease tracts in 1988 and 4,480 acres were determined to be suitable for leasing (by application) in 1998.

The four coal screens (coal development potential, unsuitability criteria, multiple use, and surface owner consideration) were applied to the two proposed tracts during the preparation of the Draft RMP/EIS. The screens have been applied with particular emphasis on recent coal data acquisition and new, specific

multiple use screens. The unsuitability criteria and multiple use screens were applied to the remainder of the FFO boundaries. Coal development potential would be addressed when data are available to estimate coal reserves.

To resolve this issue, answers are needed to the following questions:

After application of the four land use planning screens for coal, which tracts should be carried forward for further consideration for coal leasing?

Are there any new areas which should be considered acceptable for further consideration for coal leasing?